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The illusion of freedom

How strong is our rule of law?

Forgotten anti-corruption bills

Pakistan's economic predicament

Bringing Indians home from Libya

Champion of the free market

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Ambedkar, the forgotten free-market economist

Digging into the intellectual history of economic freedom

On April 14th the world will celebrate, no matter how ignorantly, the 120th birth anniversary of Bhimrao Ramji Ambedkar for his role as chairman of the Constituent Assembly's Drafting Committee, as an icon of the Dalit community, as the first law minister of independent India, for his conversion to Buddhism, for his debates with Mahatma Gandhi—for all possible reasons except for being a radical economist for his time. That too, a free market economist.

In fact, several scholars have claimed otherwise, the most recent of them being Anand Teltumbde. In a recent issue of the *Economic & Political Weekly* writes:

The protagonists of globalisation have tried to project him as a proponent of the free-market, indeed, as a neoliberal, and have even gone to the extent of painting him as a monetarist (monetarists are supposed to be the intellectual initiators of neoliberalism) to claim him in support of their propaganda. In any case, how many Dalits, even among the educated ones, know what monetarism is? Ambedkar, who publicly professed his opposition to capitalism throughout his life, was thus wilfully distorted to be the supporter of neoliberal capitalism, which globalisation is!

The truth however is to the contrary. While Ambedkar is routinely portrayed as an intellectual who wrote against capitalism and free markets,

and advocated socialism, a few well-informed writers like Gail Omvedt have claimed otherwise. Ironically one of the reasons for the prevailing misconception is the volume of Ambedkar's scholarly output. While his contributions to political science, sociology, law, and other fields is well known, having spanned more than four decades, much of his work on economics has been neglected.

This meant that the academic community in India did not go on to develop Ambedkar's ideas on economics, some of which anticipated important threads of 20th century Western economic thought, like "economic and political decision making in an environment of dispersed knowledge" and "alternative monetary systems (and the) denationalised production of money". Ambedkar, in fact wrote extensively on finance, monetary economics, banking systems, and interstate financial relations.

Perhaps the only exceptions to the gross neglect of Ambedkar's writings on economics in India are the works of Srinivasa Ambirajan and Narendra Jadhav.

Mr Jadhav argues that:

...one finds the widespread ignorance regarding Ambedkar's contribution as an economist unfortunate. This lack of awareness, to an extent, could be explained by his phenomenal contributions in other spheres such as law, religion, sociology, and



*There is no work
reinterpreting Ambedkar's
economics from a twenty-
first century perspective.*

politics, which might have overshadowed his contribution to economics. Yet it is surprising that even the so-called expert studies on the evolution of Indian economic thought...do not seem to take much cognisance of Ambedkar's contributions.

There is no work reinterpreting Ambedkar's writings on economics from a twenty-first century perspective.

Ambedkar was an authority on Indian currency and banking in the early decades of the 20th century. He was trained under scholars like Edwin Cannan, Edwin Seligman, John Dewey, James Robinson, and James Shotwell. Both his MA and PhD degrees (from Columbia University) were in Economics. He also received a DSc degree in Economics from the London School of Economics. He was familiar with the works of Carl Menger, who founded the Austrian School of Economics in the 1870s. That said, he remained an independent rational thinker, favouring empiricism and logic, rather than favouring any particular economic system or ideology.

Ambedkar's magnum opus, *The Problem of the Rupee: Its Origins and Solutions*, was first published in 1923. This was republished as the first volume of the *History of Indian Currency and Banking* in 1947. In his foreword to the book, Cannan wrote:

I do not share Mr Ambedkar's hostility to the system, nor accept most of his arguments against it and its advocates. But he hits some nails very squarely on the head, and even when I have thought him quite wrong, I have found a stimulating freshness in his views and reasons. An old teacher like myself learns to tolerate the vagaries of originality, even when they resist "severe examination" such as that of which Mr Ambedkar speaks.

Cannan went on to say that "In his practical conclusion, I am inclined to think, he is right".

In the very first chapter, Ambedkar holds that:

Trade is an important apparatus in a society, based on private property and pursuit of individual gain; without it,

it would be difficult for its members to distribute the specialised products of their labour...But a trading society is unavoidably a pecuniary society, a society which of necessity carries on its transactions in terms of money.

In fact, the distribution is not primarily an exchange of products against products, but products against money. In such a society, money therefore necessarily becomes the pivot on which everything revolves.

With money as the focusing-point of all human efforts, interests, desires, and ambitions, a trading society is bound to function in a regime of price, where successes and failures are results of nice calculations of price-outlay as against price-product.

Essentially, he emphasises that a "sound system of money" is the foundation for specialisation in production and trade among individuals in society, without which the prosperity of society would not be possible.

Unlike many of his contemporaries, Ambedkar was an original thinker as it appears from his skilful analysis of the political economics of British India. Contrary to popular belief, Ambedkar believed in the principles of free markets and advocated free banking (against the government's monopoly of printing legal tender), the gold exchange standard, decentralised planning, private property rights, economic freedom, free enterprise and individual liberty. Moreover, Ambedkar understood the knowledge problem in society and its relevance for decentralised planning. Ambedkar also vehemently criticised Keynes and others for favouring Gold Exchange Standard rather than Gold Standard, and extended the argument of the law of consumption.

The three following examples from Ambedkar's writing substantiate this view. First, in his statement to the Royal Commission on Indian Currency and Finance in 1924-25 (whose recommendations established the Reserve Bank of India) he submitted that:

One of the evils of the Exchange Standard is that it is subject to management. Now

a convertible system is also a managed system. Therefore by adopting the convertible system we do not get rid of the evil of management which is really the bane of the present system. Besides, a managed currency is to be altogether avoided when the management is to be in the hands of the Government. When the management is by a bank there is less chance of mismanagement. For the penalty for imprudent issue, or mismanagement is visited by disaster directly upon the property of the issuer.

But the chance of mismanagement is greater when it is issued by Government because the issue of government money is authorised and conducted by men who are never under any present responsibility for private loss in case of bad judgement or mismanagement.

Ambedkar thought that the government should not print the currency, instead the private banks should print and thus there will be competing currencies with direct responsibility. This is one of the core principles of the Austrian School of Economics.

Second, on the issues of knowledge problem and decentralised planning Ambedkar wrote (in his PhD thesis) that:

By centralisation all progress tends to be retarded, all initiative liable to be checked and the sense of responsibility of Local Authorities greatly impaired...centralisation conflicts with what may be regarded as a cardinal principle of good government. Thus, centralisation, unless greatly circumscribed, must lead to inefficiency. This was sure to occur even in homogeneous states, and above all in a country like India where there are to be found more diversities of race, language, religion, customs and economic conditions. In such circumstances there must come a point at which the higher authority must be less competent than the lower, because it cannot by any possibility posses the requisite knowledge of all local conditions. It was therefore obvious that a Central

Government for the whole of India could not be said to posses knowledge and experience of all various conditions prevailing in the different Provinces under it. It therefore, necessarily becomes an authority less competent to deal with matters of provincial administration than the Provisional Governments, the members of which could not be said to be markedly inferior, and must generally be equal in ability to those of the Central Government, while necessarily superior as a body in point of knowledge.

Ambedkar further went on to say that the only argument on the above the Government of India could make is that it has "*all power in its hands, not from principle but from necessity. That necessarily arose out of its constitutional obligations.*" There are similarities between Ambedkar and Hayek's view on knowledge problems and therefore need for decentralisation in planning. Note that Ambedkar wrote these ideas decades before F A Hayek published his classic article "*The Use of Knowledge in Society*, in 1945".

Third, while reviewing Bertrand Russell's *The Principles of Social Reconstruction*, Ambedkar pointed out what Russell failed to figure out in his theses on the law of consumption.

"...the utility of an object varies according to the varying condition of the organism needing satisfaction. Even an object of our strongest desire like food may please or disgust, according as we are hungry or have over-indulged the appetite. Thus utility diminishes as satisfaction increases."

Ambedkar would have been against a Planning Commission with powers to plan for the whole country without adequate knowledge about it. A good government cannot issue paper money irrespective of goods and services produced in the economy. There is a greater convergence in the writings of Ambedkar and those of B R Shenoy, Hayek, Ambirajan and Ludwig von Mises. However, there is virtually no literature exploring the possibility of understanding these writings from a comparative perspective. The economic historians have starved young minds by focusing on politically motivated debates for far too long.

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The illusion of freedom

India is poor because Indians are not free

There is much to be celebrated about India and the progress it has made since it gained political independence, especially over the last couple of decades. Various observers have pointed that out in bestselling books and articles in the popular press. Indeed, it's become a cottage industry of sorts to write books on how India is going to be a superpower—if it isn't one already.

Yet the fact remains that India is an extremely poor country. For instance, half of its children below the age of five are malnourished, and around 40 per cent of Indians are illiterate in the 21st century. India should have at the very least solved the problems of underdevelopment such as widespread poverty and illiteracy since they are precisely what the government of India has ostensibly been focused on ever since Independence. Practically every policy of every government that India has ever seen has avowedly been made to eradicate poverty and its concomitants. Clearly it is not for lack of trying by the government.

Why is India so poor? Implicit in asking that question is the assumption that there is nothing inevitable about India's poverty—that it is not as if it were an unalterable fact of nature. That question, hard though it may be to admit it, has to be asked and answered honestly for there to be any hope of achieving that state in which that question is rendered meaningless.

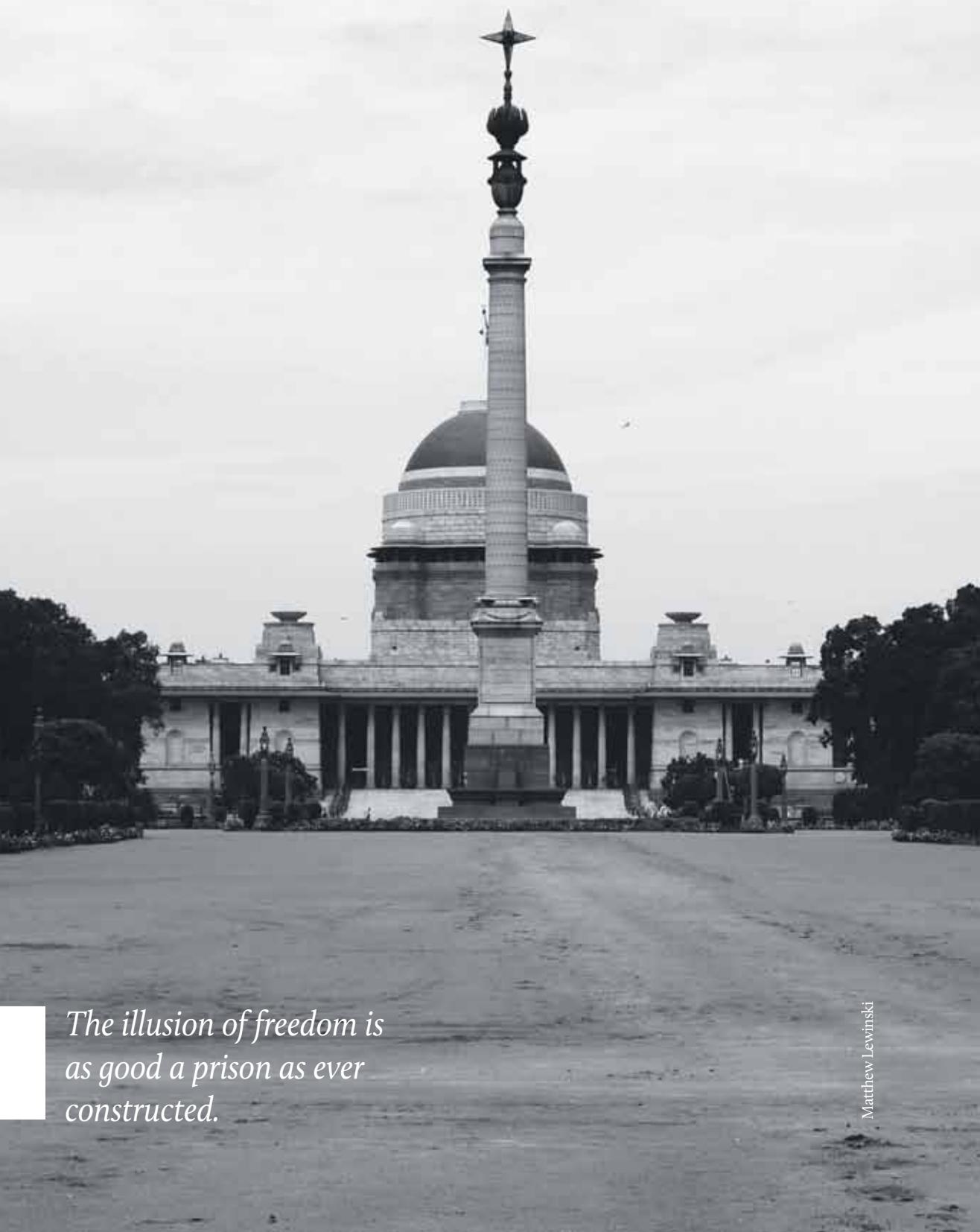
India does not lack any of the necessary ingredients required for prosperity. It has adequate natural resources—granted that it does not have an over abundance of them but neither has nature been exceptionally unkind. India has human resources; indeed it has a super abundance

of raw human resources. By all measures, they are fairly close to average in intelligence, motivation, and have considerable cultural and social capital. India does not suffer from frequent widespread civil unrest and natural disasters which destroy all the accumulated capital, leaving death and destruction in their wake.

It is worth noting that Indians do quite well outside India. In the United States and other developed countries, they are extraordinarily successful. Their ability to prosper outside India is in sharp contradiction to the inability of their counterparts within India to prosper. Could that imply that it is not nature but rather something in the Indian environment which accounts for Indians not prospering in India? Since it is the government which largely creates and controls the environment, could it be that India's greatest handicap is the quality and nature of its government?

Robert Solow, Nobel prize-winning economist, observed that poverty is not simply an economic problem and that “underdevelopment is a web of economic, political, institutional, ethnic, and class-related connections with persistent historical roots.” India's continued struggle with poverty and underdevelopment are the understandable consequences of its governments' objective. The roots of the Indian government's “license permit control quota” regime lie in its history of British colonialism.

In 1947, Indians got political freedom but little economic freedom, and only limited personal freedom. Merely changing the people who rule India without changing the rules is superficial change, which does not change the objective of the government. The government's objective



*The illusion of freedom is
as good a prison as ever
constructed.*

Matthew Lewinski

continued to be extractive and exploitative. It was “British Raj 2.0”.

Under the British Raj, the rules were made for the convenience of the rulers. Power was vested in the government and the people were subservient to it. The British government employed a strategy of “divide and rule” effectively and pitted one community against another. The government controlled important sectors of the economy: the railways, telecommunications, power, education. There was no violent revolution that overthrew the British. When they left, every institution that the British had created was left intact. The people who replaced the British realised that the system suited them quite well.

While controlling the economy is good for those in power, it is bad for the economy itself. First, it reduces economic activity and consequently growth. Second, it gives rise to rents (profits made from being able to manipulate regulations), which then attracts the most criminally corrupt to gain control of the government. Rent-seeking, rather than good governance, becomes the sole aim of those in government.

Transforming India into a developed country within one generation by 2040 is possible if, among other things, Indians gain comprehensive freedom. For that to happen, a new set of politicians and policymakers have to enter government and in effect change the government objective. Given India’s democratic setup and the Indian preference for non-violence, change will have to be brought about at the polling booth. This means that the voters have to elect a different set of people to office, people who are honest, committed and visionary.

Change of awareness precedes change in behaviour. Therefore for the citizens to vote differently there has to be a change in their understanding of reality. Most Indians would reject the idea that they are not really free and that the government may not have their best interests at heart. As Ram Dass pointed out, “If you think you’re free, there’s no escape possible.” The illusion of freedom is as good a prison as ever constructed. For India’s transformation, the challenge therefore is to make people aware that they lack freedom and that they have to struggle to get them.

A large country like India cannot be ruled without some degree of popular consent. That the population gives that consent despite the enormous harm the tyrannical government does to them would be inexplicable—but for the fact that the rulers make sure that the population does not ever become informed enough to know that they are living under a tyranny.

Alexis de Tocqueville pointed out over two centuries ago that liberty and democracy are not the same. Indeed, there is sufficient evidence over the centuries to show that democracy can be the enemy of liberty. India’s government is elected by the people. But being popularly elected as a democratic government does not mean that it cannot also be a tyranny and deny the people freedom. The subjugation of the population can be as real in a democracy as in a despotic rule.

Indians have had *only* democracy for a long time. Indians need liberty as well. Only then does India have the possibility of becoming a rich and developed nation.

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Quantifying the rule of law

Using international comparisons as a diagnostic tool

The Universal Declaration of Human Rights states: "...so that people are not compelled to rebellion against tyranny, human rights should be protected by rule of law..."

The ancient concept of "rule of law" is distinct from rule by law. Under the "rule of law" the law is preeminent and serves as a check against the abuse of power by the executive. Under "rule by law", the law can serve as a mere tool for a government that suppresses rights in a legalistic fashion. Nazi Germany acted as per laws enacted by the German Reichstag in conducting the Holocaust of Jews. South Africa's apartheid laws were promulgated by its legislature. Just and good laws are therefore a prerequisite for "rule of law".

Plato wrote: "Where the law is subject to some other authority and has none of its own, the collapse of the state, in my view, is not far off; but if law is the master of the government and the government is its slave, then the situation is full of promise and men enjoy all the blessings that the gods shower on a state." Indeed "rule of law" and per capita income have a direct and strong correlation.

The World Justice Project (WJP), a Washington-based think tank, recently published its third "Rule of Law Index". Thirty five countries are bench-marked with regard to nine factors illustrating "rule of law" in their respective jurisdictions. The WJP's index is the only such instrument addressing this subject.

The WJP index for India gives the opportunity to interested persons to use it as a diagnostic tool. Even a cursory study of India's ranking globally and within its income group suggests some conclusions.

First, India scores high on "Limited Government Powers", "Clear, Publicized and Stable Laws" and "Open Government", being ranked number one on these factors in its income group ranking. This is more a tribute to the founding fathers of the Indian Republic who framed the Constitution, than to their successors. Of course, on these factors, India just about makes the top ten globally, which points to scope for improvement, for India to create a community of real equity and opportunity for its citizens.

Second, India's poor showing in "Absence of Corruption" is insightful into why a country with such an enlightened and sophisticated system of governance has performed indifferently in delivering to its citizens. Indeed the great strain under which Indian society labours can be linked not to the lack of democratic institutions, but to their abuse by the persons who are their stewards.

More troubling are the rest of the factors, which deal with the Indian citizen's daily experience of rule of law.

Poor show on "Order and Security" and "Regulatory Enforcement" point to a serious malaise in governance and a threat to internal security. Coupled with the subversion of India's

democratic institutions by rent-seeking, one feels that, in the absence of upright and clear leadership the enforcers of the rule of law are handicapped in their functioning. Also it possibly is that interested parties have conspired to keep the enforcers of the law moribund and enfeebled.

No doubt the low score on “Fundamental Rights” is an outcome of the above situation.

Low scores on “Access to Civil Justice” and “Effective Criminal Justice” are matters of grave concern. The first purpose of the state is to deliver justice—India is faltering in that aspect.

Current laws and regulations themselves give rise to doubt regarding their justness and relevance, given that the main bodies of legislation and procedures governing civil and criminal justice systems are hand-me-downs from the mid-19th century British colonial era!

Since independence, law-makers seemed to have had little time to craft just and good laws relevant to the requirements of a free people. This indeed makes the Constitution of 1950 the exotic icing on a cake whose crust comprises of the musty Indian Penal Code of 1860, the Indian Police Act of 1861, the Criminal Procedure Code of 1898 (amended piecemeal since then), the Indian Evidence Act of 1872 and the Civil Procedure Code of circa 1908. These pieces of legislation surely were good laws in their times for colonial rulers and local elites, but have outlived their relevance and scope in changed times and circumstances.

For instance, sentences for crimes are relatively severe. The accused therefore naturally fights tooth and nail to avoid indictment, and the weakest sections of society have a greater chance of being convicted and going to jail. Sentencing needs to become light and fast, with the intention of correction and not retribution.

The police infrastructure of India remains as it was designed by colonial rulers in the nineteenth

century to control large native populations. By accident or design this infrastructure’s capabilities have not been substantially augmented.

Even without the WJP’s index, much of this was known. Now there is a quantitative tool available to validate intuitive hypotheses. The urgency of the tasks at hand have not been matched by their salience in the public discourse. If the Index can help focus public attention and the need for reform, it would serve its purpose.

The World Justice Project’s “Rule of Law” Index for India

SCORE	GLOBAL	INCOME GROUP RANKING
Factor 1: Limited Government Powers	14/35	1/12
Factor 2: Absence of Corruption	25/35	7/12
Factor 3: Clear, Publicized, and Stable Laws	13/35	1/12
Factor 4: Order and Security	23/35	8/12
Factor 5: Fundamental Rights	20/35	4/12
Factor 6: Open Government	9/35	1/12
Factor 7: Regulatory Enforcement	24/35	9/12
Factor 8: Access to Civil Justice	27/35	8/12
Factor 9: Effective Criminal Justice	23/35	7/12

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Rising to the occasion

The way forward for India's strategic community

At a seminar in New Delhi last December, an influential Indian strategic commentator issued a clarion call to his assembled peers. He noted that Indian experts, while collectively lamenting the lack of strategic thinking by India's political elites, had not adequately appreciated the fact that successive prime ministers had made bold strategic decisions—from outreach efforts to Pakistan by the Vajpayee government to improved relations with the United States by the Manmohan Singh government that ensured an end to India's nuclear isolation. In all these cases, the strategic community's assessments had been pessimistic, with nay-saying often passing for informed analysis. Most of those present at the seminar could be seen nodding their heads in grudging agreement.

Although caricatures about India's lack of a strategic community, a strategic culture or even any real strategic thought still predominate, the validity of such stereotypes is questionable today. For the first time in its history, India has a sizable, dynamic, and reasonably well-informed strategic community. It is home to more think tanks (292 by one recent count) than any country other than the United States and China. The seminar circuit, particularly in Delhi, boasts a full schedule. And one need only scan the opinion pages of India's many English-language newspapers to sense the vibrancy of political and policy debate in the country. However, while at some levels the structure and capacity seem to be in place for India's strategic community to rise to the occasion presented by India's growing standing in the world, much still has to be done for it to realise its full potential.

The first challenge facing the strategic community is the absence of a common vocabulary. As

Ludwig Wittgenstein famously concluded, "The limits of my language are the limits of my mind. All I know is what I have words for." Without widely-accepted terminology, how can India's strategic community expect to articulate itself, foster debate, and make its presence felt? A second challenge is to shift from the personalisation to the institutionalisation of policy formulation and implementation. Far too much today hinges on the individual opinions, biases and influence of a handful of officeholders and opinion-shapers. Third, although institutions are sometimes in place, they still have to be adequately resourced and empowered. Despite the proliferation of Indian think tanks, most of them are still under-resourced.

Fourth, the focus of India's strategic community is unevenly distributed. Leading strategic experts have spent considerable time on matters of nuclear strategy and non-proliferation, as well as bilateral relations with the United States and Pakistan. More recently, expertise on Afghanistan has developed, and there are glimpses of a new wave of Sinologists. But generalism—rather than regionalism—predominates, and while India's generalists are on par with the best in the world, its regional expertise in most areas is still wanting. Important avenues for topical or functional scholarship are also under-explored, whether defence economics, law enforcement or intelligence reform, international institutions or bureaucratic politics. Fifth, quality control remains a challenge. At present, assertions go unverified, form lags far behind substance, and research is too often descriptive rather than analytical or argumentative. Threats and challenges are not always overtly and accurately defined, and as such accurate policy prescriptions remain elusive. Vital social science research



The Indian strategic community must chart its own future if it is to chart the country's.

practices are not always heeded.

Finally, the strategic community often acts without the necessary involvement of the political classes—and for this, the blame must be shouldered by both groups. Other than a few notable exceptions, India's politicians, including the next generation of party leaders, betray little interest and sometimes even active disdain, for matters of strategic importance. Consequently, political opportunism often wins the day. Both major political parties have recently been guilty of this. In June 2004, External Affairs Minister K. Natwar Singh floated the possibility of India's sending troops to Iraq, a move that his party had made a "principled stand" against only one year previously, to use the words of then-spokesperson Jaipal Reddy. Similarly, the BJP, which worked hard to secure a civilian nuclear agreement with the United States during its tenure in office, proceeded to lead the opposition against such a deal once it had been voted out of power.

Solutions to all these challenges may be found organically and accidentally, rather than deliberately, but retaining a consciousness of the task ahead for India's strategic community is critical: It must chart its own future if it is to chart its country's. For example, as more students strive to become foreign policy and security scholars and practitioners, there is a dire need for authoritative and comprehensive Indian text books. Most book-length studies on international relations and national security in India tend to be some combination of subjective, narrow in scope, technical, ahistorical and time-sensitive. International experience is also badly needed, and in the absence of university exchange programs, the establishment of an institution modeled loosely on the Peace Corps in the United States would be critical for ensuring that future

generations develop the necessary international linguistic and cultural expertise.

By virtue of their numbers and their readership, India's newspapers play a central role as a forum for debate, one that is not entirely analogous to print media sources in most other countries. Although fact-checking for daily publications may not always be possible, a system of informal and anonymous peer review and criticism may be in the best interests of both the publications themselves and the larger strategic community. In the long run, other venues—online journals and academic presses—should parallel newspapers and blogs as venues for intellectual debate and discussion. But, in the short term, newspapers could do themselves a service by exercising such forms of quality control. Lastly, the political parties could establish their own think tanks, which can serve as training grounds and sources of education in niche policy issues for future leaders. By effectively detailing younger leaders to the strategic community, the parties can ensure that they are better informed about critical strategic issues. They also may be able to test their own policy proposals in the marketplace of ideas.

Funding, of course, remains a critical constraint, and in the absence of government resources, the Indian strategic community will have to rely upon the growing private sector for support. This in turn will require educating corporate leaders on the importance of international relations and national security for their own business practices, a final area in which the Indian strategic community has fallen short. India's future economic growth prospects cannot be seriously contemplated in the absence of Indian strategy—and that is all the more reason for India's strategic community to deliver.

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Filter

Geopolitical readings

METROPOLISATION

ALAN BERUBE and PHILIPP RODE examine economic and employment data in 150 of the world's largest metropolitan economies located in 53 countries, for their analysis **"Global MetroMonitor: The Path to Economic Recovery"**. This Brookings Institution analysis shows that these metropolitan areas function as locations for high-value economic activity in their respective regions, accounting for up to 46 per cent of world GDP, with only 12 per cent of the global population. They state that the past two decades have seen a shift, with the emerging market metros closing their gap with their higher-income counterparts due to increased mobility of capital, market reforms and off-shoring—with this shift accelerated by the global financial crisis of 2007-09. They forecast a rise in demand from emerging middle-classes for consumer goods and services, improved public services such as infrastructure, environmental quality, and educational opportunities—and that this could in turn provide an additional context for closer interdependency across these metropolitan economies.

NUCLEAR ENERGY IN A BOX

Heritage Foundation nuclear policy experts JACK SPENCER

and NICHOLAS LORIS tout the potential of small, modular nuclear reactors (SMR) in the generation of abundant emissions-free power. They argue in their opinion piece, **"Small Nuclear Reactors, Big Energy Pay-Offs"**, that this nascent technology could significantly transform the nuclear industry due to numerous advantages such as lower up-front capital costs, mobility, and scalability. They state that the United States' current regulatory environment was dominated by inefficient licensing and rule-making, and failed nuclear waste management policy, leading to barriers to new nuclear technologies. They end by calling for an approach that provides a stable regulatory environment, promotes competition, and relies on private investment and sustainable economics.

ANALYSING CHINA INC'S M&A TRENDS AND FUTURE SCENARIOS

DEREK SCISSORS of the Heritage Foundation analyses China Inc's global investments since 2005 across countries, sectors and investors, quantifying it at US\$224 billion in successful investments, and US\$140 billion unsuccessful investments. In his analysis, **"China Global**

Investment Tracker: 2011", Australia, the United States, Brazil, Canada and Iran were the most popular destinations, while energy, metals and finance accounted for over 80 per cent

of all investments. CNPC, Sinopec, CIC, Chalco and CNOOC were the top firms investing US\$120 billion or over 50 per cent of Chinese cross-border mergers and acquisitions.

CHARLES WOLF of the Hoover Institution states that China's appetite for acquisitions of foreign companies could quadruple from current levels of 6.6 per cent share of global cross-border M & A by 2020 on the back of its growing trade surplus, diversification away from the United States' debt and its appetite for natural resources, emerging technologies, and financial know-how. In his *Wall Street Journal* op-ed, **"China's Next Buying Spree: Foreign Companies"**, he states that this would make China a more active and influential player in the global mergers and acquisitions markets, thereby enhancing its integration into the world economy, and could also lead to an improvement in China's domestic corporate governance practices. He states that there could also be a cause for rise in tensions both within host countries and China on differential barriers to cross-border investments.

ONLINE NETWORKS AS A TRIGGER FOR REGIME CHANGE

MARKO PRPIC and SEAN NOONAN examine the benefits and vulnerabilities of using social media tools to organise protests and revolutions, using examples of

protests organised over the recent past that achieved varying degrees of success and failure. In a Stratfor analysis, “**Social Media as a Tool for Protest**”, they state that while social media undoubtedly offered advantages in disseminating messages quickly and broadly, a revolution required much more, including organisation, funding, mass appeal (beyond the internet-savvy youth), and the ability to inspire and motivate individuals to get away from the comfort of their homes and face-off against the government on the streets.

They caution that over-reliance on social-media tools was no substitute for effective real-world leadership and ingenuity to tackle counter-protest tactics. These virtual tools could also be detrimental to the evolution of leadership beyond cyberspace, and could potentially cause isolation from alternate political movements with whom they may have shared goals.

CENTRALISED VS DISTRIBUTED WATER MANAGEMENT

NIRVIKAR SINGH of University of California at Santa Cruz states that rapid economic growth, low per capita availability of water and underdeveloped physical and institutional infrastructure could lead to a potential 50 per cent water supply shortfall in India by 2030, making it one of the most severely affected countries as reported in the McKinsey-Water Resources Group study on the economic aspects of water supply.

In an East Asia forum commentary, “**India’s water management challenge**”, he advocates an approach that focuses on improving water usage efficiency in agriculture, which accounts for 80 per cent of India’s water utilization. He also suggests a shift away from

large-scale infrastructure projects, municipal dams and river interlinking towards local water management practices to promote greater efficiency of water use, while state governments could focus on promoting innovation in agricultural practices and productivity.

Singh states that although the National Water Mission offered a comprehensive approach including conservation, efficiency and government co-ordination, there were vital shortcomings related to lack of an economics-based prioritisation, adequate co-ordination vertically down to the local level and horizontally across government departments, and calls for an inclusion of local water-management bodies to fill the gaps.

RAISING THE GAME IN LAGOS

PARVATHI VASUDEVAN of the Centre for International, Strategic and Development Studies in India traces the evolution of Indo-Nigerian ties over the past 50 years from a foundation of historical & political links to one based on economic links. While India’s major oil players evinced a keen interest in Nigeria—Africa’s most populous nation, which contributes 20 per cent of India’s oil imports—their moves had not yielded the expected benefits. In a report for the Chatham House, “**The Changing Nature of Nigeria-India Relations**”, she calls for a re-haul of New Delhi’s Africa policy with Nigeria as a template, with the following key focus areas:

- Enhanced commercial transparency
- Strengthened Indian diplomatic presence and raised frequency of government contacts
- Expansion of India’s Trade and Economic relations committee’s mandate beyond hydrocarbons into all sectors

- Enhanced footprint of Indian media in Africa
- Expansion of the educational scholarships program to support Nigerian students

She concludes that New Delhi had to raise its game across multiple footprints to compete both effectively and transparently in Africa’s economy.

EU’S STRATEGIC PARTNERSHIPS

ANNE SCHMIDT of the Stiftung Wissenschaft und Politik (German Institute for International and Security Affairs) reviews the debate on “strategic partnerships” within the EU in the wake of the guiding principles drawn up for the strategic partnership format. In a working paper for SWP, “**Strategic Partnerships – a contested policy concept**”, she reviews recent publications within the European Union, and recommends that the EU itself had to develop into a strategic actor to achieve the stated goal of effective multilateralism, as well as reconciling its broad normative concerns with narrower interests.

ASIAN GEOPOLITICS - IN CHARTS

WALTER LOHMAN, JOHN FLEMING and NICHOLAS HAMIESEVICZ of the Asian Studies Center of the Heritage Foundation state that the global financial crisis had impacted perceptions of American power and its relationships in Asia, while these perceptions were not grounded in facts. In their report, “**Key Asian Indicators: A Book of Charts**”, they provide a visual representation of factoids across the spectrum of economics, politics and defence to support their argument of American predominance across all areas in Asia, and that an absence of American power could lead to a decline of peace and prosperity in Asia.

ROHAN JOSHI

Rohan Joshi is a resident commentator on *The Indian National Interest* and blogs at The Filter Coffee (filtercoffee.nationalinterest.in).

Alif

Snippets from the Arabic & Urdu media

THE POLITICS OF RAYMOND DAVIS

Javed Chaudhry in his *Daily Express* article is critical of Pakistan Muslim League (N)'s role in Raymond Davis' release. He suggests that while it would have been impossible for Raymond Davis to be released without the acquiescence of the army, the Punjab government isn't faultless either. Mr. Chaudhry suggests that President Zardari, Prime Minister Gilani and Chief Minister Sharif were inclined to release Mr. Davis on January 28, but because of pressure from the media and the subsequent filing of an FIR against Mr. Davis, this did not materialize. Mr. Chaudhry challenges the Punjab government with several questions on the circumstances leading to Mr. Davis' release. First, the writer inquires as to how likely it is that PML(N) was completely unaware that the U.S. airplane that flew Mr. Davis out had arrived in Lahore 48 hours before his release? Second, after the wife of one of Mr. Davis' victims committed suicide, both victims' families were under Special Branch observation. He asks whether the PML(N) was aware of the deal between Mr. Davis and 19 members of the families, and if it wasn't, what action does it plan to take against members of the Special Branch for failure to report it. Third, Mr. Chaudhry

asks why the courts accepted the plea to personalize the crime (i.e., accept blood-money or diyyat) for the Raymond Davis case, when several other such pleas have either been denied or pending its review in Punjab? Fourth, Mr. Chaudhry asks why Mr. Shahbaz Sharif departed to London 4 hours before Mr. Davis' release, while there was no mention of his impending trip in any of his recent press statements. The writer is further suspicious of statements about the health of Mr. Nawaz Sharif that were issued after Mr. Davis' release. Mr. Chaudhry concludes by suggesting that the Punjab government played a pivotal role in Mr. Davis' release (despite its statements), compromised the trust Pakistanis instilled in them, and that it is now no different than the PPP.

QATARI SUPPORT FOR LIBYAN INTERVENTION

Qatar's state-run al-Raya throws its weight behind the UNSC resolution implementing a "No Fly Zone" (NFZ) in Libya. It holds Col. Qaddafi responsible for the recent events in Libya, who it criticized as having campaigned to assault with military force citizens demanding democracy and political and economic reforms. The editorial argues that Col. Qaddafi did not learn from the events in Tunisia and Egypt and thought he could quell

the uprising by employing terms such as "fundamental terrorists" and accusing other Arab countries of conspiring against him. It argues that Col. Qaddafi's declaration of a ceasefire in response to the implementation of a NFZ was just "publicity" when in fact he continued to attack innocent civilians in his push to reclaim Benghazi. The editorial reminds its readers that Libyans "are brothers," and all they have done is ask for freedom and dignity and a decent life bereft of the shackles of a dictatorial regime—these requests were responded to by the Colonel with a series of aerial bombardments. It hopes that international intervention can yet save the lives of Libyan citizens, like it did in Rwanda. It applauds the international community for rising up to its moral responsibility of protecting Libyan citizens.

ARMS-IMPORTER INDIA NOT PEACEFUL?

In his article in the *Jang*, Agha Masood Hussain criticizes India on reports published by a Swedish think-tank that it is the world's largest importer of arms. Mr. Hussain says that on the one hand, Prime Minister Manmohan Singh talks of peace with Pakistan, and on the other pursues a path of procuring the most advanced weapons in the world. The writer suggests that

India obtains technology for nuclear weapons from the United States and is also in the process of building a substantial inventory of chemical weapons, for which it relies on Israel to provide assistance. India, he says, has increased its defence budget by 40 per cent in each of the past two years. He is unconvinced with explanation that India has pursued military modernization not because of Pakistan, but because of China. The writer argues that China is a peaceful nation that has devoted its entire energy and over 70 per cent of its annual budget to the welfare and betterment of its citizens. He contrasts this against India, where he says over 50 per cent of the population lives below poverty, despite that fact that India has maintained an annual growth rate of about 8 per cent over the past several years. He suggests that no

where in the world is the disparity between the poor and rich greater than in India. Mr. Hussain suggests that while it is always important for Pakistan to maintain dialogue with India to hopefully solve bilateral issues, it must also keep in mind India's increasing eagerness to tilt the strategic balance in the region and must adopt adequate countermeasures to protect itself.

IRAN ACCUSED OF INVOLVEMENT IN BAHRAIN

Samar al-Muqrin accuses Iran of fomenting Shia separatism in Bahrain's al-Ayam. He suggests that Iran has vested interests in overthrowing Bahrain's Sunni ruling family with the aim of gaining a foothold in the Arab world. He is confident Bahrainis will see through what it terms Iran's "machinations"

and defeat its "evil designs." Mr. al-Muqrin appeals to Bahraini Shias that Iran does not have their interests at heart. The writer suggests as "dangerous" the categorization of the uprisings that began at the Pearl Roundabout in Bahrain as the demands of Bahraini Shias, when in fact it was orchestrated by Iran. Mr. al-Muqrin urges citizens to be patient and allow Sheikh Hamid to implement the promises he has made to the nation. He dismisses suggestions from Iran about freedom and democracy and asks how concerned they were of such things during their election years. The writer applauds Saudi Arabia's defence of a "brother Arab nation" and the invocation of the GCC's collective defense agreement. He concludes by suggesting that the Arab world has demonstrated that it is more united and stronger than "the mullahs of Iran."

ROHAN JOSHI

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Bringing our citizens home

How Indian citizens were evacuated from Egypt and Libya



The series of uprisings in the Middle East has impacted the lives and security of Indians living in the region. Over 18,000 Indian expatriates have been evacuated by the Government of India via government-owned and private aircraft, military transporters and passenger ferries.

India is no stranger to security uncertainties in the Middle East. At the time of the first Gulf War, India had about 180,000 citizens living in Kuwait and 20,000 in Iraq. Over the course of the war, India dispatched ferries to Dubai and chartered Air India flights to Amman, Jordan to evacuate citizens from the region. Direct evacuation from Kuwait was impossible because of air and sea blockades by the US-led coalition, a point that drew repeated protests from Inder Kumar Gujral, then foreign minister. India incurred

costs exceeding \$1 billion, having evacuated over 100,000 citizens via 500 flights from Amman to Mumbai. Again, in 2006, when conflict broke out between Israel and Hezbollah in South Lebanon, India dispatched four warships of Task Force 54 (INS Mumbai, INS Brahmaputra, INS Betwa and INS Shakti) to rescue not only the 2,000 Indian citizens but also Sri Lankans and Nepalis, as part of *Operation Sukoon*.

In January 2011, as news of the uprising in Egypt broke out, a control room in Cairo and a "Situation Room" in New Delhi were established to monitor the situation and assist citizens in need. At the time of the uprising, 3,600 Indians lived in Egypt. The Ministry of External Affairs (MEA) first issued an advisory against non-essential travel to Egypt, while treading cautiously on statements about Hosni Mubarak's regime.

India operated two Air India flights via Dubai and Jeddah, through which around 500 passengers were evacuated. In addition, MEA appealed to private airlines to contribute to the effort of evacuating citizens from the Egypt. IndiGo operated flights to Cairo to aid in the effort.

However, the bulk of India's evacuation efforts were concentrated on Libya, where over 18,000 Indian citizens lived and worked. As anti-Gaddafi forces gained momentum in Benghazi, the MEA launched *Operation Safe Homecoming* on February 28, its largest evacuation exercise since the Gulf War. The initial focus of New Delhi's efforts was *Scotia Prince*, a passenger ferry with a capacity of 1,200, chartered to evacuate its citizens from Benghazi and Eastern Libya to Alexandria, Egypt. From Alexandria, four special flights (including one Indian Air Force IL-76 transporter) operated to fly evacuees back to India. The Indian government also chartered MV *Red Star One*, which evacuated citizens to Malta, from where they were flown back to India via flights operated by Kingfisher and Jet Airways.

Top MEA officials, including the foreign secretary, updated citizens regularly using Twitter.

Air evacuations from Libya proved challenging, as Tripoli International Airport was besieged by rioting mobs, and the runway at the Benghazi airport was destroyed. Once permission for air evacuation was obtained from the Libyan government on March 1st, India operated Air India flights—a Boeing 747 and an Airbus 320—daily to evacuate citizens from Tripoli. By March 3rd, India had evacuated about a third of its citizens.

For Indians crossing over from border towns, posts were set up in Salloum, Egypt, and Tunisia to provide necessary travel documentation. Embassy officials transported border evacuees to Cairo and Djerba (Tunisia), respectively, from where they were flown to India via flights operated by GulfAir and FlyDubai. A chartered

flight was also flown from the coastal town of Sirte to Larnaca (Cyprus) and Malta, where evacuees (which included about 150 Indians and 9 Bangladeshis) were received by Indian embassy staff and booked on flights back to India. Separately, some private companies evacuated their employees in batches via Emirates Airlines flights. A total of 47 sorties were flown by chartered flights, evacuating all citizens desiring to leave Libya.

M Manimekalai, India's ambassador to Libya, played a pivotal role in obtaining permission from the Libyan authorities for air evacuation. New Delhi not only evacuated its own citizens, but also assisted its neighbours in the effort.

As evacuation efforts intensified, ministry officials, including Foreign Secretary Nirupama Rao and staff from the Public Diplomacy Division updated citizens using the social networking website, Twitter, in addition to regular updates on the official website. The ministry's online presence allowed the government to provide frequent updates on the evacuation effort and address reports of citizens being made to pay for their evacuation.

The episode should trigger a greater analysis and strategic planning for such contingencies. For instance, the decision to deploy INS *Mysore* and INS *Jalashwa* to aid in the evacuation efforts needs further review. Both vessels arrived in Libya on March 10th, by which time about 80 percent of India's evacuation was complete. It also appears that their designated role was not to evacuate citizens to India, but to transport them from Libya to neighbouring Malta, from where they were to be evacuated via chartered flights to Mumbai and Delhi.

What stands out though is the need for India to enhance its heavy lift and transport capabilities, which can improve efficiencies during evacuation. One IL-76 transporter was deployed to assist with the evacuation efforts and one was placed on standby. While some reports indicated that C-130Js were joining the exercise, they were not actually deployed. In addition to the ability to

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COLIN COOKMAN

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Failure as the trump card

Will Pakistan's international donors blink again?

IMF/Stephen Jaffe

In November 2008, facing dwindling foreign currency reserves and the looming prospect of default, the fledgling civilian government of Pakistan entered into what was to become an \$11.3 billion standby loan agreement with the International Monetary Fund (IMF). That infusion of funds stabilised the economy over the short term, but over the course of past six to nine months, the agreement has effectively ground to a halt.

Talks between the Pakistani government and the IMF most recently went into overtime on March 9, 2011, as Hafeez Shaikh, Pakistan's finance minister, issued fresh pledges that the government would institute a 15 percent surcharge on income taxes, approve a 2 percent increase in electricity rates, remove sales tax exemptions on certain products and sectors, and pass a new Reformed General Sales Tax in time for the June budget process.

These pledges bought Islamabad the IMF's ear for a few more days, but do not appear to have succeeded in loosening its purse-strings. While

the IMF has extended the programme framework through September, until it sees tangible action by the government, it has refused to release the remaining two tranches of loans, totalling some \$3.7 billion, or to issue a Letter of Comfort sought by Pakistan affirming support for the government's fiscal management. That letter is critical as a seal of approval for other donors; without it, over \$1.5 billion in direct budget support from the World Bank, Asian Development Bank, and Islamic Development bank may now be imperiled.

The reticence of the IMF and other international donors is understandable. The Pakistani government has consistently failed to meet its commitments to donors to implement new revenue-generating measures and curb deficits in ways that might set it towards a path of fiscal sustainability. The need for such reforms is serious: While the problem by no means originated under the current government, Pakistan spends beyond its means. Recent government estimates indicate the country loses almost as much to tax evasion as it

takes in (between 7-9 per cent of GDP). Borrowing to offset the gap has fuelled rising inflation and mounting internal and external debts, the annual servicing alone of which now amounts to almost as much as Pakistan collects in taxes. And for all its new promises, the mechanism by which the PPP government plans to implement its latest revenue-generating efforts is no clearer than previous pledges, given its shaky governing coalition and the opposition of nearly all other parties to those measures or to any unilateral executive action in the absence of parliamentary support.

Pakistan's principal option remains stringing international donors along with promises of eventual reform.

Persistent domestic terror attacks and the devastating floods of August 2010 have had a serious impact on the country's economy, but the primary source of Pakistan's chronic shortages of revenue is structural and not the product of any single crisis. The country's most potent mainstream political organisations—the PPP, PML-N, and MQM—each draw their primary base of support from the country's three biggest potential sources of revenue—Sindhi agricultural landholders, Punjabi trade and industry, and Karachi's urban class. Each holds a vested interest in shielding their respective constituencies from taxation as long as Pakistani politics remains a zero-sum system in which temporary state capture regularly interrupted by military expulsion defines the rules of the game. Coalitions with smaller Islamist or regional parties may give one party or another an edge in forming a government, but none have been able to amass the political capital required to force through a redistribution of wealth from their rivals, nor have they been able to reach a compromise that could provide for shared sacrifice by all Pakistanis in support of the country's future development.

The country's most powerful political organisation, and the one that is capable of redistributing wealth away from its rivals, remains the Pakistani military.

The military has been notable in its absence from current discussions about revenues and spending cuts, with its budget still opaque to its nominal civilian overseers. Development spending has already been repeatedly slashed in order to meet IMF fiscal deficit targets, but Pakistani military spending is on the rise. The military's system of domestic economic holdings provides some cushion for its members from the vagaries of the government's budget; but more critical is the external assistance it receives from the United States, China, and Saudi Arabia. By leveraging its role as frontline state in the "global war on terror", the Pakistani military has been able to establish its own parallel line of credit, allowing it to field a force far beyond what it might otherwise be able to afford were it forced to compete on even standing with other serially under-funded non-military priorities.

The collective inability of Pakistan's political leadership to take the hard steps necessary to mobilise domestic revenue have trapped it in rentier state status. The government's principal option remains stringing international donors along with promises of eventual reform, coupled with warnings of the dangers of letting the state collapse should Pakistan's creditors pull the plug. The likelihood that the current government will be able to push through substantial reforms on the scale sought by the IMF is slim, and the relationship with the United States has become increasingly strained over Pakistan's continued support for terror proxies like the Haqqani network and Lashkar-e-Taiba. But the argument that Pakistan is "too big to fail" has resonated with donors for the past decade and serves as its biggest trump card.

It remains to be seen whether the current IMF stance represents a true shift in broader donor attitudes towards conditionality and reciprocal commitments, or whether Pakistan will be able to continue leveraging its role as a regional spoiler and nuclear power to extract further aid. The end of open credit would undoubtedly exacerbate crises and accentuate political divisions within Pakistan, the resolution of which would be destabilizing internally and potentially regionally. But the rentier state model is unlikely to survive over the long term either. Pakistani leaders and their international backers must continue to push for reforms if the country is to move away from international dependency and towards a more sustainable future.

HARINI CALAMUR

Harini Calamur is a media entrepreneur

Will Pakistanis put their national interest first?

Deep are the inequities of our neighbour



Fantaaz/Farhan

If there is any country in the world that is a poster child for dictatorship, it is Pakistan. Over the last two and half decades at least, Pakistan seems to have been more stable and more prosperous under its military dictators than its "democratically" elected leaders.

Over the last few weeks, there has been a flurry of articles and blog posts discussing why India is not Pakistan. There is the civilisational argument—that Indians are more prone to democracy than Pakistan because of the Hindu ethos—not in the religious sense of the word, but by virtue of many streams flowing into the larger ocean. While this is true, a small niggling voice at the back of the head says that until 1947 it was the civilisational ethos also of what is today Pakistan. Then, there is the caste argument. Pakistan is the way it is because it doesn't have enough merchant castes

and has too much peasant castes. While it is hard to disagree with this too, the fact remains that large numbers of Baloch, Sindhis, Pashtuns and Punjabis were traders, merchants and money lenders. Religion was how they prayed to God; profit was the motive behind their business.

While the factors mentioned above are definitely relevant, there are three other factors — far more modern — that sowed the seeds of a stable India and an unstable Pakistan. The first was very simple: Jinnah died a year after Pakistan was formed, Nehru lived for the next 17 years to see that his vision succeeded, and provided a modicum of stability in the system. Maybe India would have faced the same problems if Sardar Patel had been the first Prime Minister of India—not because Sardar Patel lacked the vision, but because he died in 1950, twelve months after the

formation of the Republic. The other two reasons are slightly more complex—the rights of the land owner, and the imposition of a national language.

You cannot divorce Pakistan from the man who drove its creation. It seems unfathomable why Jinnah, a wine drinking, pork eating atheist and a man who believed in the European mode of secularism, would want a country based on religion. And when he got it, declared he wanted a secular state. It is also quite inexplicable that Jinnah, an urbane constitutionalist who otherwise believed in the rule of law—and found Gandhi's mode of non co-operation contrary to this—would find it convenient to unleash hordes when he did not get his way on things.

One common reason given, rather uncharitably, was that he wanted to be head of state and would stop at nothing to get what he wanted. The reason was almost certainly far more complex: Jinnah wanted Pakistan out of ideology, but that ideology was not Islam.

The part of Pakistan that India speaks to is feudal, not liberal.

If you re-read the history of that era you will see that there were two major ideologies prevalent. The first was Socialism—the rights of the tiller, the labourer, the worker and the dispossessed; and the second was Capitalism—the rights of the industrialist, the land owner, and the rich. By the 1930s, it was very clear that India was going down the social democratic route—socialist in terms of centralised planning, agrarian reforms, the whittling down of the zamindari system to give more rights to the tiller; and Democratic in the sense of universal franchise. In this both Patel and Nehru were united as were others in the Congress. The Nehruvian model, as it is now called, may have unleashed socialism on India, but its views on equality, social justice and land allocation probably saved India from Pakistan's woes. However, there is no point being complacent about this fact. Those areas in India that are still feudal, where the rights of the indigenous people,

the tillers, the marginalised communities are trampled are the same areas that Maoist militancy has taken root.

Jinnah, on the other hand was a capitalist. He had a certain disdain for the masses, and found his calling as the candidate of the zamindars. The Muslim League was the party of the zamindars, the Talukdars and the Rais. Had Jinnah been honest about the fact that he wanted a non-socialist state, he would not have gotten popular support. Islam was a decoy for continuing with the land-owning status quo. And today, it is this status quo that has come back to bite the state. Any nation that is feudal will go through this churn: It will be replaced by either communism or religion—both promise equality and both follow similar methods of 'converting' the disenchanted with promises of a better tomorrow.

The fact remains that the part of Pakistan that India speaks to is the feudal part. These by no stretch of imagination, can be called liberals. They speak English, they appeal to our sense of nostalgia, but they are responsible for a lot of what is wrong with Pakistan. It is a patriarchal feudal state where a few families own the bulk of the land; the rest are dispossessed. Militant Islam is a reaction to this inequity in society.

The other reason which is equally important was the imposition of Urdu as the national language. When a language gets declared as the national language it means that all official business is transacted in that language. The people who speak and write that language as their primary language have an edge over those who don't. In Pakistan's case that meant that the Mohajir—the immigrant from India—whose native language was Urdu had an edge over those who spoke Punjabi, Sindhi, Balochi, Pushtu, and Bengali. The national language policy, in fact, had the effect of breaking up Pakistan. It didn't break up because of religion, but because the Bengali speaking majority of East Pakistan felt disadvantaged when it came to accessing jobs and Urdu speaking West Pakistan didn't want to share the pie.

India, on the other hand, went for the compromise. The concept of mother tongue was recognised, Rajya Bhasha was considered the language in which various states carry out their

business, protests against a common language were taken into account and the question of having a single common language was left open. If at all of India wants to move to impose a national language, Indonesia might prove the better role model. They chose the language spoken by the fewest number of people and made it the national language. The economic disadvantage of having a national language was, therefore, spread amongst the population.

So, is Pakistan as a nation doomed? It is still not too late, but for that its ruling elite will have to put national interest first. Land reforms will have

to happen, education has to be imposed, women have to be given rights, and the rule of law has to be paramount. Too many splintered interests in Pakistan—the land owners, the Army, the secret service, the political class—are looking at their own narrow self interest. In all this, their nation is crumbling.

Historically, the phase after feudalism is industrialisation. Maybe it is time for money to be channelled into Pakistan—not to fight the Taliban or put down their people, but to industrialise, create jobs, create value and create stability.

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RCA GODBOLE

Rca Godbole is a plant molecular biologist by training and advises law firms and corporate houses on patents and innovation strategies.

In defence of Jaitapur

Energy security could do without political opportunism



Laurimyllyvirta

The Jaitapur Nuclear Power Project (JNPP) seems to be providing a focus for venting the frustrations directed at the venality and bad governance in our country. This by itself is a useful contribution, since our country needs a lot more constructive dissent. However, it is important to regroup the orchestra to its original score, namely the generation of energy for the country. Dissent without an alternative for energy generation on the same scale should be seen as sabotage.

Coal accounts for nearly 40 percent of India's total energy consumption, followed by nearly 27 percent for combustible renewables and waste. Oil accounts for nearly 24 percent of total energy consumption, costing \$79.6 billion in 2009-10, for 159.2 million tonnes of crude oil. Around 30 percent of India's total energy needs are met through imports. IEA data for 2008 indicate that electrification rates for India were nearly 65 per cent for the country as a whole. In urban areas, 93 percent had access to electricity

compared to rural areas where electrification rates were approximately 50 percent. Roughly 400 million people do not have access to electricity in India.

In light of these facts, the need of ensuring energy security for the country cannot be a contentious issue, even while speaking for the rural, poor, or the disenfranchised of our country. It is a fatuous argument and a flagrant disregard for the social contract to suggest that the energy generated in a specific part of the country should only provide for the needs of that part of the country. If by the same logic, Punjab started producing just enough wheat to meet its own needs, let alone India, the world economy would be hit.

Energy input at the subsistence level would free the people from hard and unrelenting labour which is their customary lot. Energy generation is the primary step to enable supply at that level. Energy is the engine for growth. For a

large country like India with over one billion population and rapid economic growth rate, energy multiplies human labour and increases productivity in agriculture, industry as well as in services. To sustain the growth rate in economy, energy supply has to grow in tandem.

The operative word behind any dissent has to be “constructive”. There is a whole list of bad practices that should be publicly discussed and avoided in future, there should be suggested interventions to ensure safe and equitable progress of the project, and all of these should be aired publicly, and made available for action. What seems to be happening instead is that the dissent is now about a show of political strength in order to extract mileage from the situation. There is a cynical attempt to disseminate misinformation, and scupper a project, in order to prove political clout. This is a manipulation of public opinion against national interests, and should be recognised as such.

According to the Environmental Impact Assessment (EIA) prepared for the Jaitapur project by the National Environmental Engineering Research Institute (NEERI), the total land acquisition for JNPP site and residential complex is 938.026 hectares. This involves five villages: Madban, Warilwada, Karel, Niveli and Mithgavne, but does not involve physical displacement of any families.

The compensation paid for this land would be commensurate with the classification, although the actual figures are still under discussion. The compensation is a political issue, having no scientific or strategic underpinning. Of the total acquired land, the land acquired for the residential complex of 245.715 hectares is comparable to the JNPP site land in the land record classification, and is to be compensated in the similar framework.

Almost all the land acquired is of little agricultural value. It also does not fall under the category of forest land. Even so, a snapshot of the current status of the JNPP acquired site as far as biodiversity and conservation go is essential.

A pilot study carried out in order to prioritise

areas for forest conservation in the Konkan region that encompass a few villages around the JNPP project site, states that less than 4 per cent of the species on the International Union for Conservation of Nature (IUCN) red list are found in the region. Moreover, most of these species are in the low risk categories. This may be due to the fact that high-risk, red listed species are totally lost in the region or due to the lack of an assessment of species within the region that fulfill red list criteria.

The JNPP relevant villages shown on the maps in this study, that have either threatened habitat types or highest species richness for a particular vegetation type lie north of the JNPP site. What this study indicates is that we have to bring in biodiversity and reforestation efforts around the JNPP project, where, at present, nothing that can be conserved exists. The NEERI EIA reports similar findings as regards marine life around the site.

Dissent without an alternative for energy generation on the same scale should be seen as sabotage.

The public perception of safety aspect of the energy generation in a nuclear power plants is an important criteria for the success of the project. The EIA gives all the details of the six layers of safety measures to be adopted in the design of the plant and also elaborates on the disposal procedure for the spent fuel from the plant. It is very important that these procedures are scrupulously followed, and systems are put in place for safe handling of the material.

Transparency in these matters and safety audits should be an integral part of the project operations. Both the Chernobyl disaster and the ongoing post-quake crisis in Fukushima should be seen in the context of over 400 functional

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V ANANTHA NAGESWARAN

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The imbalances are alive

Extant threats to global economic recovery

“ Too often, the policy response to a sharp adjustment to an unsustainable position starts and ends with the provision of liquidity. Rarely, however, is the problem a temporary shortage of liquidity. As we have seen since 2007, and on many occasions before that, most players – whether financial institutions or countries – would like others to believe that greater provision of liquidity is the answer. Almost always, the provision of liquidity works only when it is the bridge to a more fundamental solution.... There is much to do. None of the underlying causes of the current crisis have been removed. The problem of “too important to fail” banks is still with us. Today, the most obvious problem at the global level is that the imbalances are growing again”

So said Mervyn King, the governor of the Bank of England in California in March. It does not take much guessing to know that the target of his remarks was the US Federal Reserve. His message, however, did not hit the target. Few days after he spoke, the Federal Reserve Open Market Committee met to decide on monetary policy setting in the United States. It vowed to maintain exceptionally low rates for an extended period as they had done ever since they reduced the federal funds rate to between 0 and 0.25 percent late in 2008. It is more than two years since rates were dropped to such low levels. It remains there and might remain there even into 2012.

Raghuram Rajan, professor of finance at the University of Chicago, warned of the global risks building in 2005. He was ignored at best and ridiculed at worst. He is now again warning of

the dangers of excessive risk-taking induced by the ultra-low interest rate policy. The Federal Reserve though, is not listening. There were no dissenters at the Federal Reserve monetary policy committee Meeting. Groupthink thrives.

The president of the Federal Reserve Bank of New York William Dudley (formerly and economist with Goldman Sachs) recently told an audience in Queens, New York that they should look at broader prices rather than at food and energy alone. He pointed to how the iPad2 was being offered at the same price as the first-generation iPad despite improved computing power. Someone in the audience muttered that people do not eat iPads. No wonder the Federal Reserve is pointing to the subdued rate of core inflation (inflation rate that excludes inflation in energy and food prices) in official data. This is what they did in 2005-07 and imbalances built up in the United States and in the world economy. The world paid a price in 2008 and it risks paying a bigger price in 2011-12.

Slow recovery, widening deficits

The United States reported a trade deficit of \$46 billion in January. It was worse than the deficit of just over \$ 40 billion reported in December. It was also much higher than what economists had anticipated. The balance in goods was a deficit of \$59 billion while the balance in services was a surplus of \$13 billion. Industrial supplies constitute an important element of US imports, amounting to nearly one-third of the total goods imports of \$180 billion. Of the nearly \$60 billion of industrial supplies imports, about \$34 billion were due to crude oil and petroleum products. But, this item constituted \$31 billion of imports in December.

In other words, the jump in the trade deficit in January cannot be attributed to the jump in the global price of crude oil yet. If the US economy remains on the recovery mode and if global crude oil prices remain elevated, then the path for future US trade deficits is clear. They would continue to widen. At a monthly deficit of \$46 billion, the annual deficit is about \$550 billion and constitutes 3.7 percent of US GDP. That is on the borderline of a sustainable trade deficit. Add the deficit from invisibles and the United States will have a current account deficit that would exceed 4 percent of GDP. Economic recovery would only further enlarge the deficit. The problem of funding the US current account deficit that was a big issue before 2008 would be back on the table.



Kel Patolog

It would be one more confirmation that neither the crisis nor the subsequent recovery measures taken by governments have done anything to address the underlying imbalances. There are, in fact, two imbalances. One is the excess spending by the United States and excess saving in China. The other is the imbalance between growth ambitions and the ceiling imposed by the current global resource endowments. That is what triggered the spike in the price of crude oil in 2007-08 and that is what is at play again this time around, with prices of many commodities rising alarmingly. Clearly, loose monetary policy from the United States is playing a role in stoking speculative demand for commodities. But, strong

demand arising out of global recovery and rising incomes from the developing world and reduced supply caused by both one-off and structural factors are also underpinning prices.

Let us focus on first: one of excess spending in the US. After all, the import of consumer goods has picked up from \$36.5 billion in January 2010 to \$41.6 billion in January 2011. The US household savings rate improvement has stalled although it picked up a bit in January. Furthermore, there are record deficits of the government to finance. Hence, the United States is far from doing what is needed to rebalance its economy.

So far, the United States has had no problems funding its trade deficit since there is a certain natural demand for the US dollar. Foreign purchase of US securities has continued to take place.

Foreigners held nearly half of all the marketable US public debt. China's share constituted 25 percent of the foreign lending.

Lending to America

The US treasury department updated the figures on the purchase of US securities by foreigners. The amount of US treasury securities held by China was revised higher to \$1.11 trillion in June 2010 from the originally estimated figure of \$844 billion. How did this happen?

When treasuries are bought by foreigners, they are initially counted against the place of purchase. If the order came from Britain, it is counted as a purchase by Britain. Subsequently, when the purchases are traced to the domicile of the underlying purchaser, then they are re-classified. The choice of Britain as an example is deliberate, because, as China's holding of US treasuries was revised higher, British holdings were drastically revised lower. This is not

surprising since many of the sovereign wealth funds and developing countries' central banks buy through accounts held in Britain.

As of end-December 2010, China holds \$1.16 trillion of US treasury securities. Foreigners, in total, have lent \$4.44 trillion to the United States. The latter has outstanding marketable treasury debt securities of around \$8.86 trillion. So, foreigners, as of the end of last year, held nearly half of all the marketable US public debt. China's share constituted 25 percent of the foreign lending to the US government.

More than the upward revision to China's holding of US treasuries, what is interesting to note is the trend in China's holding of US treasury securities: Beijing has been progressively

reducing its purchase of US treasuries until recently. In the last quarter of 2010, China's purchases have picked up.

It is difficult to know what to make out of it. At one level, the United States is finding buyers for its debt. At another level, it means that China is still managing its currency down rather than gradually let market forces determine its value. At the global level it is not good news, since it was China's excess saving that partially funded the egregious leverage of the US financial system. That ended in tears. Now, it appears to have shifted from agency securities to treasury securities. How this one would end is anyone's guess. It is hard to imagine, though, that this is good news for global economic and financial stability.

Bringing our citizens home: Continued from Page 20

coordinate with and use private aircraft and ships, the Indian armed forces need more of their own resources.

The United States and China were able to obtain permission for direct air evacuation from Libya via military transporters, but India was forced to ferry evacuees to Malta instead.

Indian diplomats, military personnel and their civilian counterparts accomplished a major logistics successfully, and deserve commendation. There remain, however, important lessons for India to learn from these recent evacuation exercises, not least in a region that could see more instability in the days and months ahead.

In defence of Jaitapur: Continued from Page 27

nuclear reactors safely generating power all over the world.

There is an overwhelming need to think about money involved in this project. There is just one bank, a cooperative one at that, operating in this area. Those purportedly concerned about the local people should look at the fiscal health of this bank, provide alternative financial services, and enable delivery mechanisms for the money to flow to legitimate recipients.

One also needs to think about the urbanisation process that this money would inevitably bring about. We have to set standards for this *de novo* urbanisation about to occur in an area, where the current population density is 150 persons per square km, and whereby the population density for Maharashtra varies between 300-500 persons per square km. The new influx of

money and people should not create unplanned and unsightly sprawls marring scenic beauty and clean air in these parts. Houses should be strictly regulated in height, say no taller than coconut groves, and each residential project must nurture a given number of trees proportional to the people using the property. Architectural guidelines such as slanting roofs as against leaky flat roofs, suitable for the local climatic conditions have to be laid down for any future building construction in the area.

Transportation needs around the JNPP site should be based on waterways with strictly limited fossil fuel consumption. Influx of promised money and benefit of this money felt by the local population—rather than carpetbaggers who are bound to gather there—is vital for the success for this project.

AMOL AGRAWAL

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Pareto

Economics in small doses

MAKING A CASE FOR ASIAN LEADERSHIP IN GLOBAL ECONOMIC AFFAIRS

TAN SRI ANDREW SHENG, a leading policymaker from Hong Kong gave a speech titled: “Carnivorous lions and herbivorous Asians: How the recession has made a case for leadership in Asia.”

Tan blames the US financial industry for the crisis, and questions the alternate view that Asia's surplus savings that fuelled the global imbalances and were responsible for the crisis. He says that Asia contributed to global savings, but didn't contribute to rise in global credit which was created by the unregulated shadow banks. He adds that the advanced country regulators were complacent because the system had withstood few previous crashes from 1987 onwards.

Tan says Asia needs to solve these problems as well; it needs to get out of the mindset that “we are poor” and the West would sort out global issues. So far, Asia has always been a price-taker; not a price-maker; Asia has always been a rule-taker, not a rule-maker. The Government continues to own bulk of the financial institutions hindering in innovation and risk taking. How can Asian “herbivorous” central banks take

charge against “carnivorous” lions on Wall Street?

For this to happen, Asia's mindsets, institutions, knowledge base and modus operandi will have change. It needs to have think-tanks and the expertise to be able to debate this as equals. There is a need for research institutes in Asia which put Asian interests at centre of the debate.

HOW PUBLIC PERCEIVES CORRUPTION? CASE OF SWEDEN

Sweden is seen as a clean country topping most governance and corruption rankings. However, JONAS LINDE & GISSUR Ó ERLINGSSON disagree with this hypothesis in a paper (**The Effect of Public Perceptions of Corruption on System Support: The Case of Sweden**).

They conducted a survey of Swedes along with key Nordic economies famous for low corruption. Interestingly, Swedes believe that their country/public officials are more corrupt as compared to citizens in other economies. There have been some recent cases of corruption in Sweden. This has led the people to believe that Sweden is corrupt, and that public officials work for their own

gains. Denmark ranks as a clean country and its citizens also believe the same. Finland and Norway are between the two extremes.

They also find that this perceived corruption is correlated with people supporting the political system. People who say corruption is rising are also the ones are not satisfied with democracy. The authors say this is eroding the values of general system support in Sweden.

Such studies should also be done for India and other economies ranked high in corruption. It will be interesting to see whether public perceptions differ with international rankings.

The first footnote in the paper points the exposure of a huge corruption scandal where several top officials are alleged to have tight connections with a construction company. So, whether one looks at Ireland, India or Sweden, the role of real estate/construction in corruption comes to limelight.

THE ARAB DEMOCRACY PARADOX

Mwangi Kimenyi of Brookings in an article (**The Arab Democracy Paradox**) points out that the uprising in Middle East (ME) was not because of development failure—in many ways, they are actually development

successes. In last year's Human Development Report, five ME countries are in the top 10 in terms of overall improvements – Tunisia, Algeria etc. The advances are mainly in significant improvements in health and education.

American sociologist Seymour Martin Lipset said more than 50 years ago that the demand for democracy is a result of broader processes of modernisation and development. In the long run, it is very difficult for societies that have attained high living standards to tolerate living under autocratic regimes. However, in the ME case, it was not economic growth per se but improvement in social development that led to this movement.

The author says that the healthier and more educated youth were unwilling to be ruled by predatory elites. Hence, the protests were also mostly led by university-educated youth. Though these countries might take time to emerge as proper democracies, there is little chance that these countries will veer back toward authoritarian rule.

This is just the opposite of

what others have been saying. For instance, Arvind Subramanian says that as these economies rely on natural resources and rents, that return to democracy will not really happen. It will be interesting to see how Arab World moves from here.

DID FINANCIAL SECTOR REFORMS IN INDIA LEAD TO EXPANSION OF CREDIT?

IMF economists POONAM GUPTA, KALPANA KOCHHAR AND SANJAYA PANTH look at the impact of financial liberalization in India on banks' portfolios (**Bank Ownership and the Effects of Financial Liberalization: Evidence from India**).

The paper has some fascinating findings:

- Despite many years of reform, credit constraint remains a problem in India.
- The banking system is dominated by public sector banks (PSB). Despite lower Statutory Liquidity Ratios (SLR), PSBs allot larger investments in government bonds (G-secs).
- Moreover, the investment in

G-sec rises with rise in fiscal deficit, implying that PSBs kind of take it upon themselves to fund the fiscal deficit.

- PSBs do not hold higher G-secs for risk management. The reasons are incentive system in PSBs where a high risk loan turning into default could lead to government enquiry. Also perhaps there is moral suasion coaxing PSB officials to hold higher bonds to finance fiscal deficits.

- Earlier research showed how large fiscal deficit could lead to private sector crowding out as government absorb majority of the domestic savings. This research shows how PSB could deploy domestic savings to park most monies in G-sec indirectly leading to additional crowding out of private sector.

The paper shows another fallout of high fiscal deficits, and links it interestingly to PSBs. The authors conclude that government ownership of banks combined with high fiscal deficits may limit the gains from financial liberalisation for developing economies.



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In Parliament

A number of anti-corruption bills are languishing in parliament

The budget session of Parliament got off to a good start as the government agreed to constitute a Joint Parliamentary Committee (JPC) to examine the auction of 2G telecom spectrum. However, the release of some documents by Wikileaks led to further disruptions, as the opposition alleged that the first UPA government had paid bribes to MPs for their support in the July 2008 trust vote. There have also been allegations of corruption on a number of other issues, such as the Commonwealth Games, the ISRO-Devas deal and the Adarsh building society, which have rocked Parliament in recent sessions.

There have been a number of proposals that intend to take steps to curb corruption. These include government statements, legislative bills, and recommendations of high level committees. These measures relate to the corruption in the executive, the legislature, and the judiciary. In this note, we discuss some of these proposed measures.

The President's address to Parliament this year said that "a group of ministers is considering all measures, including legislative and administrative, to tackle corruption and improve transparency". The speech listed some of the measures under consideration: formulation of a public procurement policy, abolition of discretionary powers enjoyed by ministers, open and competitive systems for exploiting natural resources, fast track of corruption cases, and the feasibility of state funding of elections.

The first UPA government had introduced a bill in 2008 to amend the Prevention of Corruption Act, 1988. This bill proposed to permit the central and state governments to appoint a

special judge to try specified offences. A police officer investigating corruption cases against a public servant may apply to the judge for attaching any property that is believed to be acquired in contravention of the law. This bill lapsed in 2009, and has not been re-introduced.

In her very first address to Parliament after the 2009 general elections, the President had promised to introduce a public services bill. The purpose of such a bill is to reduce the politicisation of all-India services such as the Indian Administrative Service and the Indian Police Service. Officers would have a fixed tenure at each posting; such a move would protect honest officers from being transferred at frequent intervals. The bill was also to have clear and enforceable codes of conduct and ethics. The government has not introduced the Bill.

In this context, it is pertinent to note some of the recommendations of the Second Administrative Reforms Commission (ARC). They recommended that the requirement of prior sanction from the government to prosecute a public servant be removed in cases where he is caught red-handed or has assets disproportionate to known sources of income. The Union government should delegate the power to sanction prosecution to an empowered committee comprising the Central Vigilance Commissioner and the respective departmental secretary. They also recommended that court proceedings should be held on a day-to-day basis, and adjournments should not be permitted.

Another important observation of the ARC pertains to the Benami Transactions (Prohibition) Act, 1988. The Act prohibits benami transactions, that is, it prevents any person from

acquiring a property in the name of another person. The Act also provides for confiscation of benami property by the government. However, the ARC points out that even after 18 years, the Rules to implement the Act were not framed.

This implies that the government cannot confiscate wealth obtained by any corrupt public servant and kept in benami accounts.

The Right to Information (RTI) Act has served as a useful tool against corruption, as increased transparency brings out acts of wrongdoing. Another important bill in this context is the Public Interest Disclosure Bill (also called the Whistleblower Bill). The Bill intends to designate the central and state vigilance commissions as the authorities to receive complaints against public officials and investigate them. However, the Bill does not permit anonymous complaints; it requires that the complainant's identity be kept confidential, but permits disclosure of the name to the head of the department being complained against, "if it is necessary" to do so. This Bill is currently being examined by the Standing Committee on Personnel, Public Grievance, Law and Justice.

What about judges? There have been several allegations of corruption against the judiciary too. Following a motion in the Rajya Sabha to impeach Justice Soumitra Sen of the Calcutta High Court, an inquiry committee has found that there is sufficient evidence to prove the charges against him. Another inquiry committee has framed charges against Chief Justice Paul Daniel Dinakaran of the Sikkim High Court. An important bill in this context is the Judicial Standards and Accountability Bill. This Bill has three broad objectives. It requires all judges of High Courts and the Supreme Court to declare their assets, and this information will be placed in public domain. Second, it provides statutory backing to the code of conduct for judges. Third,

it provides a process for the public to make a complaint against a judge, in addition to the Parliamentary procedure. This Bill is also being examined by the Standing Committee on Law.

What about Members of Parliament? In the P V Narasimha Rao case, where some MPs were found to have taken money to vote for the government in a trust vote, the Supreme Court ruled that their conduct was protected by Parliamentary privilege. That is, actions taken in Parliament or in relation to a vote or a speech cannot be questioned in courts. In some cases, Parliament has expelled MPs caught in bribery cases, such as those taking cash for asking questions. However, the privileges of Parliament have never been codified. This means that there is no clear guideline on what constitutes breach of privilege, and under what conditions an MP would be considered to have committed such a breach.

What about Ministers? The idea of having a public authority to oversee corruption charges against ministers is encapsulated in the long proposed Lok Pal Bill. This Bill first made its appearance in 1968. The idea gets frequently dusted off, and debated in newspapers whenever there are allegations against ministers. However, there has not been any sign of the Bill being introduced in Parliament in recent times.

We have illustrated several lacunae in the laws and procedures that intend to stem corruption. These lacunae as well as the steps needed to plug them are well known and discussed by many committees. However, there has been little action to implement the necessary changes to the laws and procedures. It is important the Parliament as well as its committees (including the JPC and the Public Accounts Committee) take the necessary steps. Only then, will we see any decline in corrupt acts by public officials.

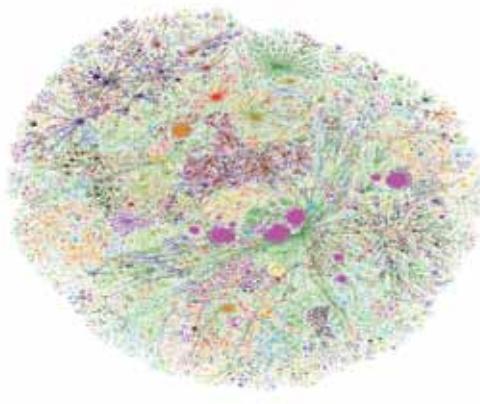
SRIJITH K NAIR

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The study of cyberpower

A comprehensive treatment of strategy and cyberspace

Steve Jurvetson



US President Barack Obama announced in 2009 that America's digital infrastructure is a "strategic national asset," and set up a new Cyber Command headed by the director of the National Security Agency, signalling the importance of cyberpower in the nation's internal and foreign policy. *Cyberpower and National Security* fills a void by providing a comprehensive and scholarly analysis on the topic of cyberpower.

The book is divided into six broad sections. The first three chapters form the foundation section that aims to identify and discuss major policy issues and formulate a preliminary theory of cyberpower. The first chapter looks at the key policy issues, categorising them into structural and geopolitical. The second establishes a common vocabulary for the cyber domain, with definitions for key concepts of cyberspace, cyberpower, and cyber strategy. The third presents the initial theory of cyberpower.

In the second section, "Cyberspace" examines structural elements that constitute cyberspace and identifies vulnerabilities affecting the critical national infrastructure of the US, including power grids, communication systems, and cyberspace infrastructure. Chapters analyse trends in cyberspace: proliferation of broadband, the move to Internet protocol, version 6 (IPv6), increasing software complexity, the rise of online communities, and so on. After a discussion on the information security issues affecting the Internet, both on a small and large scale the book raises several policy questions that the authors think are relevant to the future of cyberspace, including security, identity, and location-aware computing. This includes the biotechnology revolution and the blurring of lines between humans and technology.

The military use of cyberspace is the topic of the third section. Environmental power theories are compared to cyberpower, and common features are identified. The chapters consider the question of whether networking operators do indeed improve operational effectiveness. One chapter provides an overview of the cyberspace and cyberpower initiatives undertaken by the US armed forces and another looks at the contentious issue of the deterrence of cyber attacks.

With respect to the power of information and its role in the military and government the authors examine, in section four, the strategic influence of cyberspace information on international security, and the challenges associated with influence operations at the tactical level. The related issue is how information and communication technology and strategy can influence stability operations.

Cyberpower can empower nations, terrorists, and criminals. Crime has advanced in cyberspace, especially the use of cyberspace by organised crime syndicates to further their agenda. In section five the authors grapple with the term “cyber terrorism,” and debated question of whether it exists or is just a myth.

The last section of the book navigates through the complex and sensitive field of Internet governance and suggests how the United States can achieve “Internet influence” in the face of pressure from other nations. They

also deal with legal issues associated with cyber warfare, particularly two classes of problems: lawful resort to force and use of force in wartime.

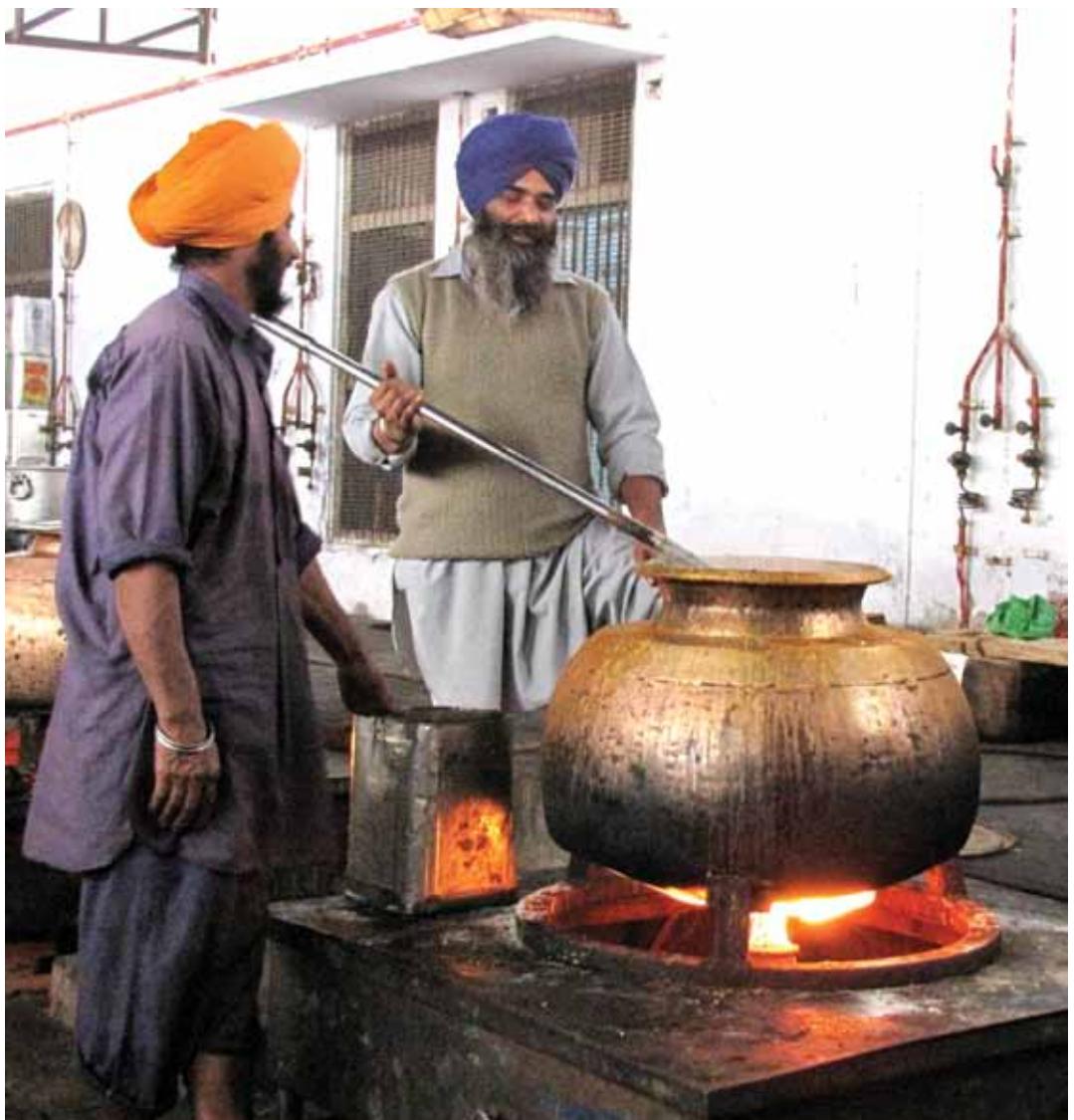
Compared to other recent books on the topic *Cyberpower and National Security* is very detailed and theoretical in its coverage. Given its comprehensive coverage, it should be read and digested by those who have more than a passing interest in cyberpower and cyber strategies but

with a liking for a more scholarly treatment of the problem space.

Cyberpower and National Security
Franklin D Kramer, Stuart H Starr,
Larry Wentz (eds)
Potomac Books Inc, 2009, 664 pages



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Where India stands on climate change

A DISCUSSION WITH SHASHI THAROOR
BRINGING MYANMAR TO A BOIL
THE FONSEKA FACTOR
EUROPE BATTLES STRATEGIC IRRELEVANCE
ALL ABOUT PIRATES



NOT UNPOPULAR IN CHINA
OMAR ABDULLAH'S CHALLENGES
TELANGANA LIBERATED
GOVERNING POLITICAL PARTIES
MEMBER IN PARLIAMENT?



WINNING BY OUT-GOVERNING
CHINA DOES CHANGE
NUCLEAR-PROTECTED TERRORISM
MANAGING AGEING
PARTY REFORMS



Targeting Naxalism

COUNTER-INSURGENCY ENDGAME
FIGHTING THE IDEOLOGICAL ADVERSARY
IT'S GOVERNANCE, STUPID!
THE ROAD TO KARLU



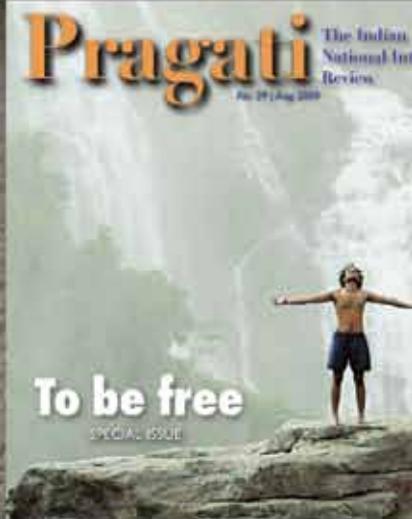
STRATEGIC TRANSFORMS
DISCUSSING HUMAN CAPITALISM
THE CASE FOR ECONOMIC FREEDOM
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1400 YEARS AFTER THE MONK



INDIA-US DEFENCE TIES
GOVERNING THE DIASPORA
ON THE RIGHT TO EDUCATION
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The Mumbai Project

REVISITING THE MISTRY
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WHAT ABOUT AIRCRAFT CARRIERS?
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ON THE SEPARATION OF POWERS
FROM GAY RIGHTS TO PROPERTY RIGHTS
FUNDING THE
LABOUR, CAPITAL AND THE STATE
A RUB ON THE WRONG SIDE OF



ON THE OLD TAKSHASHILA
REALISM OF THE INDIA
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NUCLEAR LICENSES
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